# DECLARATION OF RICHARD E. HOWITT, Ph.D.

- I, RICHARD E. HOWITT, Ph.D., declare and state as follows:
- 1. I am a consultant in the field of agricultural and resource economics with over twenty seven years experience in the economics of water allocation and use. A current curriculum vitae detailing my qualifications and experience is attached to this declaration.
- 2. I have been retained by the Metropolitan Water District of Southern California (Metropolitan) to assist it in evaluating the amount of Colorado River water needed to satisfy reasonable and beneficial uses within the Imperial Irrigation District (IID).
- 3. My opinions, findings and conclusions concerning this matter are discussed in detail in the attached May 28, 2003 memorandum to Principal Engineer Kirk Dimmitt, Subject: An Analysis of the Declaration of Dr. Rodney Smith.
- 4. The opinions, findings and conclusions detailed in the attached memorandum are based upon my own personal and professional knowledge of and expertise in the matters that are addressed and, if called as a witness, I could and would testify competently thereto.

I declare that the foregoing is true and correct and that this declaration was executed in Yolo County, California on May 28, 2003.

RICHARD E. HOWITT, Ph.D.

Consultant to Metropolitan in the field of agricultural economics

## RICHARD E. HOWITT

**Title:** Professor February 17 2003

M.S., University of California, Davis, 1971 Ph.D., University of California, Davis, 1975

#### **Academic Position**

Professor of Agricultural & Resource Economics, University of California, Davis, 1986- present and Economist in the Experiment Station and Giannini Foundation, University of California, Davis

## **Current Applied Research Interests**

## (i) Capitalization Project

Co-investigator: Jay Lund C E Dept U C Davis Funding source: California Resources Agency

Objective: To use a comprehensive economic engineering model of the complete California water system to analyze the willingness to pay for additional structures and institutions for California water, and the ability to finance them.

## (ii) WaterLink Electronic Market

Co-investigators: David Sunding & David Zilberman ARE Dept, Berkeley

Funding source: U.S Bureau of Reclamation

Objective: To design and implement an electronic water market that would allow cheap and rapid trades between users and districts. WaterLink has been implemented for one year in Westlands WD, and is now extended to 12 districts in the San Luis- Delta Mendota region.

# (iii) Experimental "Smart" Markets for Water.

Co-investigators: Vernon Smith & Steve Rassenti, Economic Science Lab, U Arizona

Funding source: National Science Foundation.

Objective: To test the design and implementation of "smart" markets for water trading using experimental economic methods and financially motivated subjects.

## (iv) Impact on Groundwater of Water Markets

Co-investigators: Keith Knapp (UCRiverside) Marca Wienberg (UCD)

Funding source: U C Salinity project

Objective: Groundwater aquifers will be an increasingly important source of storage and supply. However the trend towards market solutions for water will place additional demands on groundwater. The study models an aquifer in the San Joaquin valley under different water market conditions.

### (v) Optimal Non-point Source Sediment Control

Funding Source: U.C. Center for Water & Wildlands

Objective: Nonpoint source pollution is characterized by the inability to readily measure the source. This research uses information theory to optimally allocate expenditures between identifying the highly polluting sites and cleaning them up. The project is applied to stream sediment in the Redwood national Forest.

## Field(s) of Interest

Resource Economics, Environmental Economics, Quantitative Methods, and Econometrics

## **Professional Activities**

Member:

American Agricultural Economics Association Western Agricultural Economics Association European Agricultural Economics Association

Association of Environmental and Resource Economics

Awards:

The American Agricultural Economics Association Award for Quality of

Research Discovery in a Journal publication, 1976

Chair for AAEA Outstanding PhD Dissertation Award, 1976 and 1990

Chair for AAEA Outstanding MSc Dissertation Award, 2001

#### **Publications**

Howitt, R. E., S. F. Moore, C. V. Moore, and J. H. Snyder. February 1974. "A Simulation Approach to Recreation Planning (A Case of Changing Quality)." Reprint from <u>Annals of Regional Science</u>, Vol. 8, No. 1, February 1974, pp. 35-50. Giannini Foundation Research Paper No. 357.

Rausser, Gordon C. and Richard Howitt. April 1975. "Stochastic Control of Environmental Externalities." Annals of Economic and Social Measurement, Vol. 4, No. 2, Spring 1975, pp. 271-292. Giannini Foundation Research Paper No. 387.

Howitt, Richard E. 1977. "Water Pricing." Proceedings, Agricultural Water Conservation Conference, University of California, Davis, June 23-24, 1976, Department of Water Resources, Sacramento, pp. 146-152.

Sarhan, Mohamed E., Richard E. Howitt, and Charles V. Moore. March 1979. "Pesticide Resistance Externalities and Optimal Mosquito Management." <u>Journal of Environmental</u> Economics and Management, Vol. 6, No. 1, March 1979, pp. 69-84. Giannini Foundation Research Paper No. 525.

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Leung, Steve, Walfred Reed, Scott Cauchois and Richard Howitt. August 1978. <u>Methodologies for Valuation of Agricultural Crop Yield Changes, A Review</u>. U.S. Environmental Protection Agency Research Report #EPA-600/5-78-018, August 1978, 168 pp.

Howitt, Richard E., William D. Watson and Carole Frank Nuckton. March 1979. <u>Efficiency and Equity in Management of Agricultural Water Supplies</u>. Giannini Foundation of Agricultural Economics Information Series No. 79-1, Berkeley, March 1979, 30 pp. Processed. Also, Division of Agricultural Sciences, University of California, Bulletin 1892.

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Dixon, B. L. and R. E. Howitt. <u>Uncertainty and the Intertemporal Management of Natural Resources:</u> An Empirical Application to the Stanislaus Forest. Giannini Foundation Monograph No. 38, September 1979.

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Dixon, B. L. and R. E. Howitt. "Resource Production Under Uncertainty: A Stochastic Control Approach to Harvest Scheduling," <u>American Journal of Agricultural Economics</u>, Vol. 62, No. 3, August 1980.

Howitt, R. E. and C. F. Nuckton. "Is Overdrafting Groundwater Always Bad?" California Agriculture, Vol. 35, No. 2, February 1981.

Gardner, B. D., R. E. Howitt, and C. F. Nuckton. "The Case for Regional Groundwater Management." California Agriculture, Vol. 35, No. 2, February 1981.

Sarhan, M. E., R. E. Howitt, and C. V. Moore. <u>Economic Evaluation of Mosquito Control and Narrow Spectrum Mosquitocide Development in California</u>, Giannini Foundation Research Report No. 330, August 1981.

Carpenter, T. E., R. Howitt, R. McCapes, R. Yamamoto, and H. P. Riemann. "Formulating a Control Program Against Myclplasma Meleagridis Using Economic Decision Analysis." <u>Avian Sciences</u>, Vol. 25, No. 2, April-June 1981.

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